



DIVISION OF
ENFORCEMENT

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

June 25, 2021

Via ECF

The Honorable Paul G. Gardephe
United States District Judge
U.S. District Court for the Southern District of New York
Thurgood Marshall United States Courthouse
40 Foley Square
New York, NY 10007

Re: *SEC v. SAExploration Holdings, Inc., et al.* 1:20-cv-8423-PGG

Dear Judge Gardephe:

Plaintiff Securities and Exchange Commission ("SEC") respectfully submits this letter to inform the Court that the SEC has reached proposed settlements with Defendants Brent Whiteley ("Whiteley") and Michael Scott ("Scott"), subject to the Court's approval, and to also respectfully request that the Court temporarily lift the stay in this matter, *see* ECF No. 89, to permit entry of the proposed consent judgments as to Whiteley and Scott.

Attached as Exhibit A is a copy of Whiteley's executed consent to judgment, incorporated by reference in the proposed judgment, also attached hereto as Exhibit B. The proposed judgment and Whiteley's executed consent have been separately filed with the Court, *see* ECF No. 91, as required by the Electronic Case Filing Rules and Instructions. Similarly, attached as Exhibit C is a copy of Scott's executed consent to judgment, incorporated by reference in the proposed judgment attached hereto as Exhibit D. The proposed judgment and Scott's executed consent have also been separately filed with the Court, *see* ECF No. 92.

The proposed judgment as to Whiteley is fair and reasonable and in the public interest. *See SEC v. Citigroup Global Markets, Inc.*, 752 F.3d 285 (2d Cir. 2014). The proposed judgment as to Whiteley: (1) permanently enjoins Whiteley from committing additional violations of the federal securities laws charged in the Complaint, namely, the antifraud, books and records, reporting, and internal controls provisions of the federal securities laws; (2) permanently bars Whiteley from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Securities Exchange Act of 1934; (3) provides for the payment of disgorgement and prejudgment interest, the amount of which will be determined by the Court at a later date, upon motion of the SEC; (4) provides that Whiteley shall reimburse SAExploration Holdings, Inc.,

pursuant to Section 304 of the Sarbanes-Oxley Act of 2002, the amount of which will be determined by the Court upon motion of the SEC; and (5) provides that upon motion of the SEC the Court will determine if it is appropriate to order a civil penalty and if so the amount of such penalty. The proposed judgment would resolve all of the SEC's claims against Whiteley, with the exception of the SEC's claim for disgorgement and other monetary relief as set forth above.

Likewise, the proposed judgment as to Scott is fair and reasonable and in the public interest, pursuant to *Citigroup Global Markets*. The proposed judgment as to Scott: (1) permanently enjoins Scott from committing additional violations of the federal securities laws charged in the Complaint, namely, the antifraud, books and records, reporting, and internal controls provisions of the federal securities laws; (2) permanently bars Scott from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Securities Exchange Act of 1934; (3) provides for the payment of disgorgement and prejudgment interest, the amount of which will be determined by the Court at a later date, upon motion of the SEC; and (4) provides that upon motion of the SEC the Court will determine if it is appropriate to order a civil penalty and if so the amount of such penalty. The proposed judgment as to Scott would also resolve all of the SEC's claims against Scott, with the exception of the SEC's claims for disgorgement and other monetary relief.

Accordingly, the SEC respectfully requests that the Court temporarily lift the stay in this matter to approve and enter the enclosed proposed consent judgments. Both Whiteley and Scott consent to the SEC's request.

Respectfully submitted,

/s/ Nicholas C. Margida

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Enclosures

cc: All counsel of record (via ECF)